

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 7/12/2016	(3) CONTACT/PHONE Airlin M. Singewald, Senior Planner / (805) 781-5198	
(4) SUBJECT Request to authorize the processing of amendments to the Land Use Ordinance (Title 22 of the County Code) to create an Inland Vacation Rental Ordinance for the Adelaida area of the county. The item is exempt from CEQA. District 1.			
(5) RECOMMENDED ACTION It is recommended that the Board review the proposed amendment and determine whether to authorize processing.			
(6) FUNDING SOURCE(S) Department budget	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. ____) { x } Board Business (Time Est. <u>90 mins</u>)			
(11) EXECUTED DOCUMENTS { } Resolutions { } Contracts { } Ordinances { x } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required { x } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? N/A	(16) AGENDA ITEM HISTORY { } N/A Date: <u>10/13/15, 2/16/16</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) District 1			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Airlin M. Singewald, Senior Planner / (805) 781-5198

VIA: Bill Robeson, Deputy Director – Permitting

DATE: 7/12/2016

SUBJECT: Request to authorize the processing of amendments to the Land Use Ordinance (Title 22 of the County Code) to create an Inland Vacation Rental Ordinance for the Adelaida area of the county. The item is exempt from CEQA. District 1.

RECOMMENDATION

It is recommended that the Board review the proposed amendment and determine whether to authorize processing.

DISCUSSION

Background

On October 13, 2015, your Board directed staff to begin processing an Inland Vacation Rental Ordinance. Currently the Inland Land Use Ordinance does not expressly allow or prohibit vacation rentals. To date vacation rentals have not been considered a regulated land use but have been required to obtain a business license and pay transient occupancy tax.

On January 12, 2016, staff released a public review draft of the Inland Vacation Rental Ordinance. The draft uses the County's existing Coastal Zone vacation rental ordinance as a model, with adjustments to address issues that are of particular concern in the inland part of the county, such as the use of vacation rentals as temporary events venues. The proposed ordinance also includes development standards covering topics such as parking, noise, occupancy limitations, location requirements, and noticing procedures, with the goal of minimizing impacts on neighboring properties.

At a Strategic Planning Meeting on February 16, 2016, your Board directed staff to conduct additional public and stakeholder outreach and extended the deadline (originally February 26, 2016) for submitting comments on the draft ordinance. Staff has presented the public review draft to numerous stakeholder and advisory groups and is continuing to conduct outreach as directed by your Board.

Adelaida Ordinance

While staff continues outreach efforts on the Inland Vacation Rental Ordinance, staff recommends your Board determine whether to authorize an ordinance for the Adelaida area only, where vacation rentals have generated the most controversy and neighborhood complaints.

The Adelaida area is an agricultural and rural residential area with limited infrastructure, narrow roadways, challenged fire service, and topography that magnifies noise and light issues. There is also a concentration of wineries, bed and breakfast inns, lodging, and events in the area. After meeting on several occasions with Save Adelaida, a group of concerned residents, staff has prepared a preliminary draft of a Vacation Rental Ordinance that would apply only in the Adelaida area.

Most of the concerns voiced by Adelaida residents are related to large temporary events (e.g. weddings and reunions) held at vacation rentals in the area. Vacation rental owners claim these events are private parties, which are not subject to land use regulations. Under the preliminary draft ordinance, any private party held at a vacation rental would be considered a temporary event and would not be allowed unless authorized through minor use permit approval, as required under Section 22.30.610. Recognizing that many existing vacation rentals already have contracts in place for future events, the ordinance would give owners 18 months to obtain the necessary event permits.

The proposed ordinance would not increase restrictions on vacation rentals or temporary events outside of the Adelaida area.

Authority

Your Board is considering this proposal today because unlike the processing of land use permits, the first step when considering requested changes to the general plan or land use ordinances is for your Board to determine whether to initiate new legislation to change the rules. If you authorize this request for processing, the proposed amendments will be scheduled for public hearings before the Planning Commission and your Board after the environmental review process and staff report is completed.

OTHER AGENCY INVOLVEMENT/IMPACT

If the amendment is authorized for processing, it will be referred to all applicable agencies for comment.

FINANCIAL CONSIDERATIONS

If authorized, the cost of processing this county-initiated amendment would be funded by the Planning Department's budget.

BUSINESS IMPACT STATEMENT

If your Board decides to authorize the processing of a vacation rental ordinance for the Adelaida area, staff will consider business impacts during the processing of the ordinance.

RESULTS

If authorized, the amendments will proceed through the amendment process, including environmental review and public hearings before both Planning Commission and your Board. If they are not authorized, no changes to the ordinance will be processed. This authorization request is consistent with the county wide goal of promoting well-governed communities.

ATTACHMENTS

1. Attachment - Preliminary Draft Adelaida Vacation Rental Ordinance